

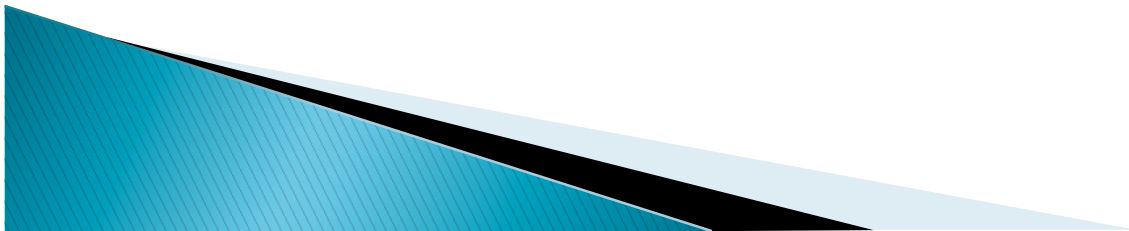
Affordable Rental Housing Recovery Program



Jeff Crozier
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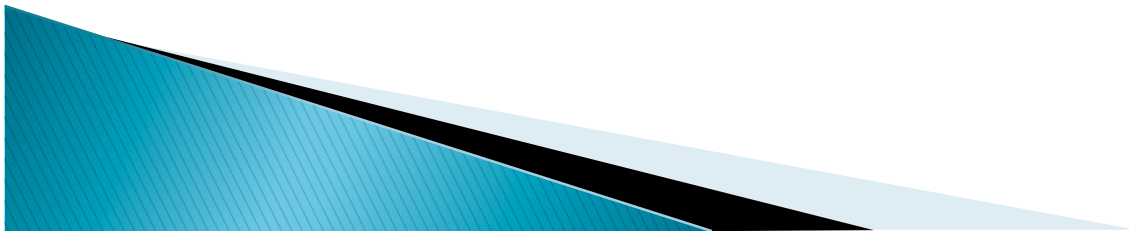
Rental Program Requirements

- ❖ Federal
- ❖ State
- ❖ Subrecipient
- ❖ Compliance and Reporting



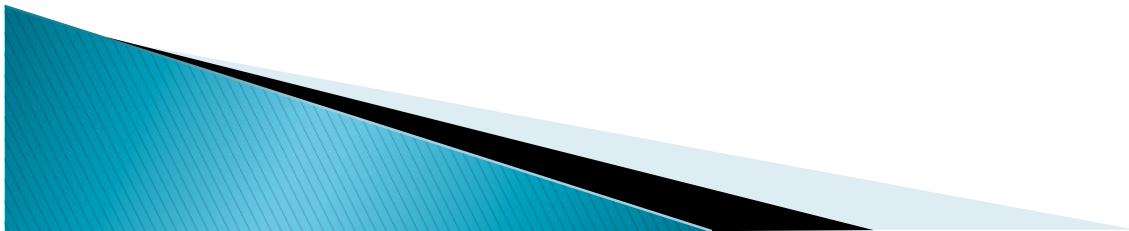
Federal Requirements

- ❖ CDBG disaster recovery funds can be used to acquire, rehabilitate or construct affordable rental housing (both single and multifamily).
- ❖ Like other CDBG activities, rental activities must meet one of the three National Program Objectives (NPO).
- ❖ Low/Moderate Income (LMI) benefit is selected as the NPO for rental activities.



Federal Requirements

- ❖ At least 51% of the units must be occupied by LMI households at restricted rents to qualify.
- ❖ Rents must comply with High HOME rent limits or HUD approved project based rents
- ❖ Tenant paid rent, plus Utility Allowance plus rental assistance (if any) must be under the High HOME or HUD approved rent limit



State Requirements

Eligible properties

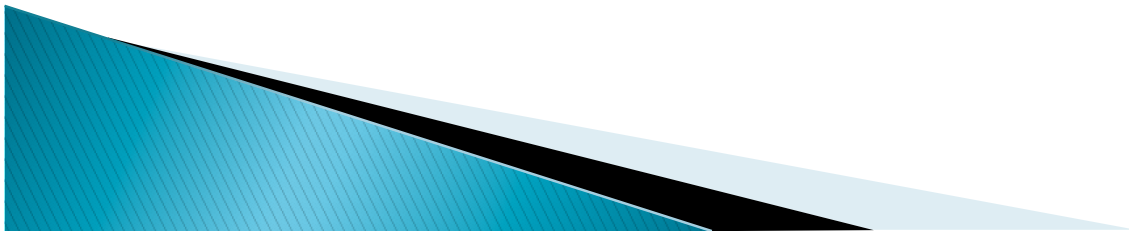
- ❖ Public or Privately Owned
- ❖ Residential single family structures
- ❖ Multifamily structures
- ❖ 100% low income
- ❖ Mixed income



State Requirements

Any CDBG Eligible expenditure

- ❖ Labor, Materials and other rehabilitation/construction costs
- ❖ Refinancing if necessary
- ❖ Energy efficiency improvements
- ❖ Utility connections
- ❖ Correcting lead based paint issues
- ❖ Accessibility improvements



State Requirements

Rental housing must comply with federal and state requirements

- ❖ Applicable local and state housing quality standards and code requirements
- ❖ Section 504 of the Rehabilitation Act of 1973
- ❖ Title 10, Chapter 60, Subchapter (B) (multifamily covered developments)
- ❖ Fair Housing Act
- ❖ 24 CFR Section 570.605 (if located in flood plain)

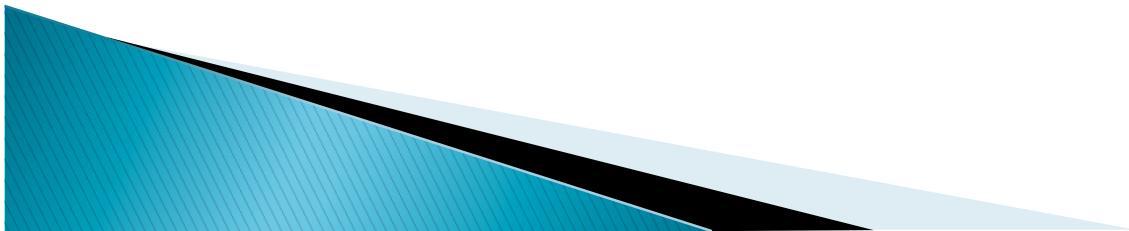


State Requirements

2306.514 (affordable single family new construction)

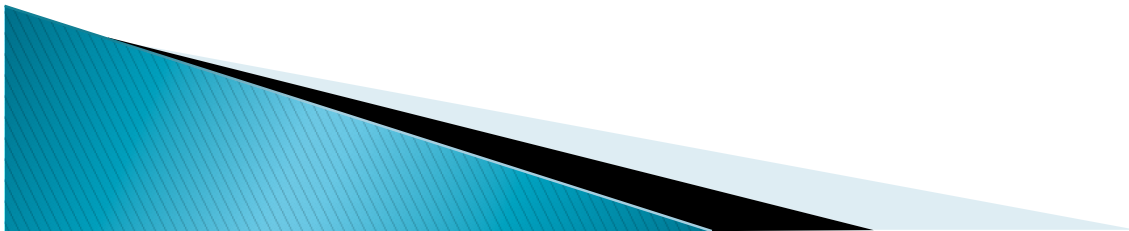
Requires all single family constructed with state funds to meet visitability requirements including:

- ❖ No step entrance
- ❖ At least one 36" entrance door
- ❖ 32" interior doors, 36" hallways
- ❖ Grab bars in baths
- ❖ Plug and switches at approved heights



State Requirements

- ❖ Single family & Multi-family projects with 8 or more units assisted with CDBG funds
- ❖ Davis Bacon and Related Acts
 - ❖ General Wage Decisions and Prevailing Wage Rates
- ❖ Fair Labor Standards Act
 - ❖ Establishes basic minimum wage rates and overtime for workers
- ❖ Copeland (Anti-Kickback) Act
 - ❖ Provisions prohibit the kickback of fees, wages, commissions, or granting of gifts such as an inducement of federal award
- ❖ Contract Work Hours & Safety Standards Act (CWHSSA)
 - ❖ Applicable to construction contracts that \$100,000 or more

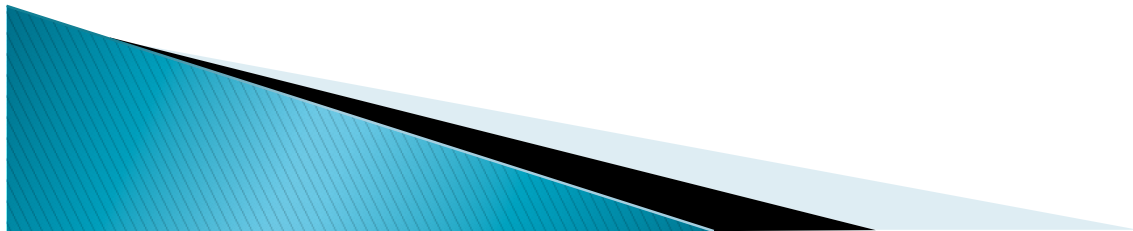


State Requirements

Analysis of Impediments to Fair Housing

Impediment #11 – Loss of housing stock in Hurricanes Dolly and Ike compounded the shortage of affordable housing in disaster recovery areas.

This shortage is particularly acute in safe, low poverty neighborhoods with access to standard public services, job opportunities and good schools



State Requirements

Analysis of Impediments to Fair Housing

Impediment #12 – Lack of financial resources for both individuals and housing providers limits Fair Housing choice.

Using an effective program under Section 3 of the Housing and Urban Development Act of 1968 will help members of protected classes gain economic opportunities necessary to allow them to exercise fair housing choice

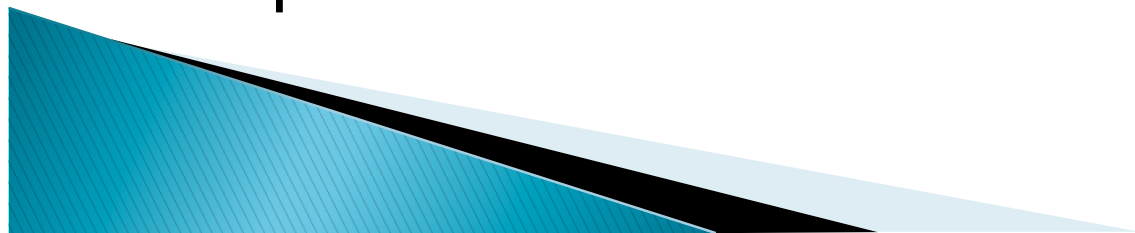


State Requirements

Analysis of Impediments to Fair Housing

Impediment #13 – Location and lack of housing accessibility and visitability standards within political jurisdictions limits fair housing choice for persons with disabilities.

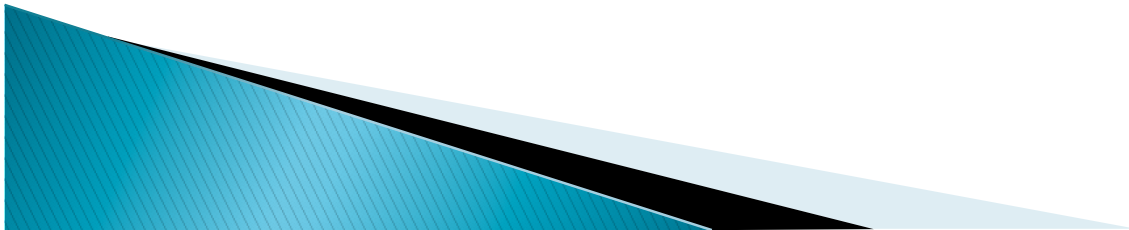
Impediment #16 – Many jurisdictions do not have adequate Analysis of Impediments to Fair Housing or Fair Housing Plans, and do not keep sufficient records for their activities.



Subrecipient Requirements

For Subrecipients that will be soliciting applicants

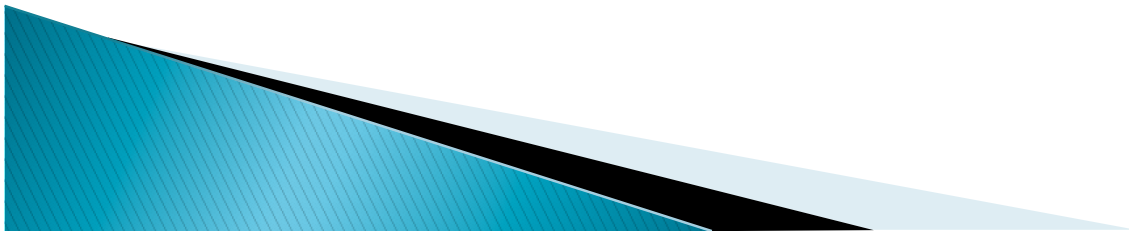
- ❖ Prepare Guidelines
- ❖ Prepare Notice of Funds Availability (NOFA's)
- ❖ Application Intake
- ❖ Underwriting
- ❖ Make Awards



Subrecipient Requirements

Plan reviews required

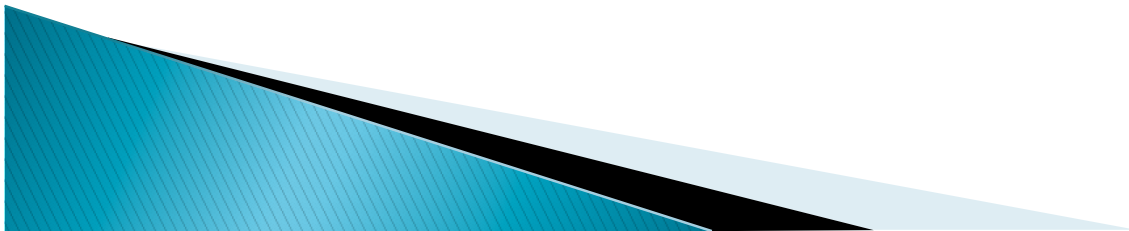
- ❖ Plans submitted to review accessibility requirements.
- ❖ New construction—provide plans for fully accessible units and non-accessible units.
- ❖ Rehabilitation – 5% of the units must be fully accessible and 2% accessible to persons with vision and hearing impairments. (UFAS standards)
- ❖ If built after March 13, 1991 must comply with Fair Housing Act design and construction requirements. (if built prior to 03/1991, it is not necessary to submit plan for non-accessible units)



Subrecipient Requirements

Labor Standards

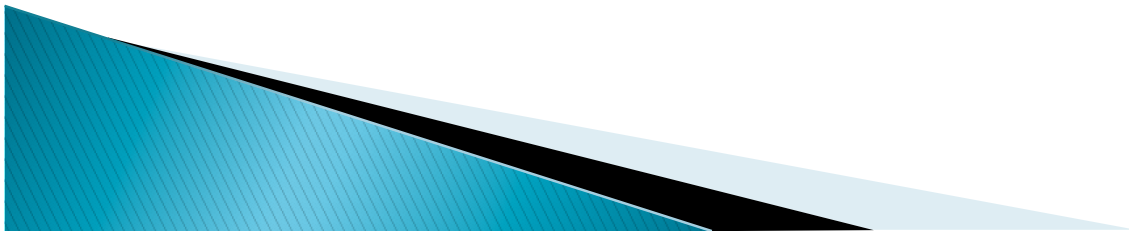
- ❖ Appointment of Labor Standards Officer
- ❖ Preconstruction Conference
- ❖ Notice to Proceed (10-day call) authorizing construction start or continuations of construction
- ❖ Benchmarks tied to disbursements



Subrecipient Requirements

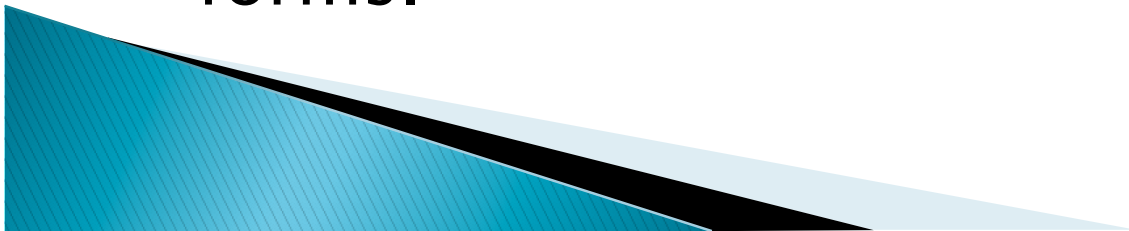
Set up and draw requirements

- ❖ Set ups and draws must be processed in the Housing Contract System.
- ❖ Subrecipients will be responsible for entering development into contract system.
- ❖ Subrecipients responsible for their awardees.



Reporting Requirements

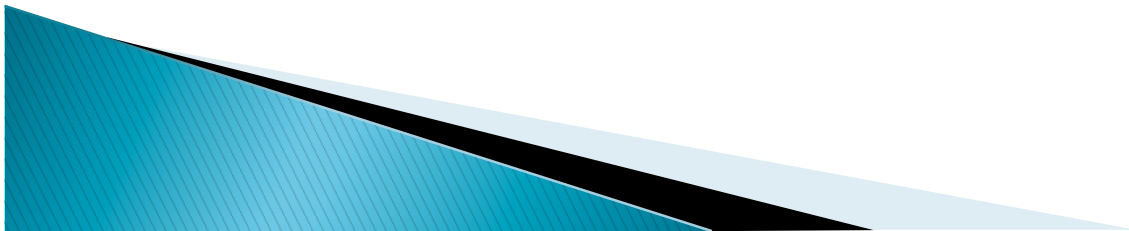
- ❖ Monthly reports are required from Subrecipients to report progress and status of rental construction.
- ❖ Monthly progress reports are required from Subrecipients to report rental housing activity status.
- ❖ Both forms are available under Housing forms.



Reporting Requirements

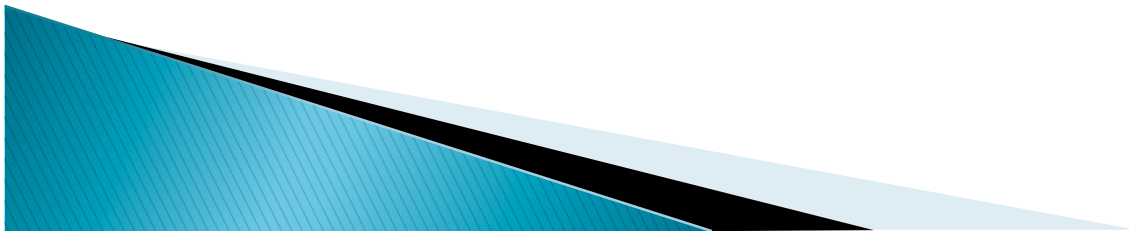
Compliance Monitoring & Section 3 Reporting

- ❖ Quarterly reporting for LMI compliance.
- ❖ Yearly unit status reports required for long-term compliance.
- ❖ Property inspections required every three years.
- ❖ Section 3 information.



Single Family Rental

- ❖ This program is exactly like the single family homeownership program except the property must be rented to an LMI tenant for a period of 5 years.
- ❖ All paperwork and draw procedures should mimic the single family program
- ❖ The property did not have to be rental property prior to the storm.
- ❖ Subrecipient should maintain tenant files.



Thank You – Q & A



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